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TRADE DOCUMENTATION INFORMATION

NEW CUSTOMS CLEARANCE PROCEDURE IN DENMARK

(Note by the Interregional Adviser on Trade Documentation)

1. As the result of a new Customs Act, new Customs procedures have been applied in Denmark since 1 April 1971.

2. In 1967 the Danish Government entrusted a Customs Commission with the task of studying the Customs regulations and suggesting necessary and desirable measures for modernising working methods in the Customs field and facilitating trade procedures at importation and exportation, without impairing the effect of import duties.

3. The Commission completed its report in March, 1970. The report included a draft Customs Act which was approved by the Danish Parliament in December 1970.

I - Main Principles

4. Customs clearance for home use in Denmark, is based on the principle that it is the duty of the declarant to state the nature of the goods, their tariff heading, their value for Customs purposes and their quantity, and to produce all relevant documents (invoices, licences, etc.). After scrutiny by the Customs office the amount of import duties and taxes due is debited to the importer's account by the means of automatic calculating machines.

5. The new Customs Act reflects the following fundamental changes:

a) All Customs warehouses and private bonded warehouses and stores have been closed down. The only exception is one private bonded warehouse in the port of Aarhus, the main city of Jutland and Copenhagen Free Port, which latter is treated as being outside the Danish Customs Area. Furthermore, the Act does not apply to the Faroe Islands and Greenland.

b) At importation all uncleared merchandise may be stored at any place within the Danish Customs Area, as may be desired by the importer, provided that such merchandise has been properly registered with the Customs.

c) Within seven days after registration the importer must forward his application for clearance together with the invoices and other relevant documents. On this basis the District Customs Office calculates the Customs and Excise duties, and when deemed necessary, spot-checks the goods at the importer's warehouse. The importer is notified in writing of the assessment and is then allowed to dispose of the goods.

d) Introduction of a general credit arrangement covering the duties and taxes chargeable at importation on all merchandise commercially imported.

e) Use of ADP for registration of importers (firms), writing out card files and forms, collecting duties and taxes, accounting, statistics etc.

II - Import Procedures

6. In January 1971 all regular commercial importers were requested by the Customs Authorities to register themselves on a special form and to advise whether they wished to take advantage of the credit facilities offered through the new Customs Act. Such importers then received a Certificate of Registry from the Customs Authorities. The certificate contained a registration number which must be quoted on all applications for clearance.

(a) Registration of Goods

7. Immediately upon arrival in the Danish Customs Area all goods must be registered with the Customs at registration places, approved by the Customs Authorities. For all air cargo imported through Copenhagen, the Copenhagen Air Cargo Centre is the place of registration.

8. The registration procedure is based on a Goods declaration presented by an "ekspeditør" - a term used by the Customs to describe the person or party approved by Customs and responsible for the registration (e.g. a forwarding agent, ship broker, airline handling agent or postal or railway authorities).

9. The goods declaration for registration purposes consists of four copies of different colours. The form is divided into five sections, thus allowing the declaration of five shipments. The following particulars must be furnished:

- name and address of importer
- identification of temporary store
- means of transport and date of arrival
- number of packages

- description of goods
- weight.

10. The Customs confirm registration by returning the red and green copies, duly stamped with the registration number and the date.

11. The green copy is filed by the "ekspedit⌀r", while the red copy is split into five sections, each slip representing one consignment. These red slips, called "Advice" slips, must be forwarded to the importers, who attach them to the subsequent application for clearance.

12. At Copenhagen Airport the red slips are attached to the Air Waybills covering shipments for which delivery instructions are on hand. In all other cases they will be attached to the Arrival Notification forwarded to the consignee.

13. The goods are now released for transfer to the temporary storage place indicated by the importer.

14. To alleviate the disadvantage of not having the previous possibility in general of warehousing goods intended for later re-exportation the new Customs Act provides, that such goods are allowed temporary duty-free importation on the condition, that they are re-exported in the same state within 2 months and are not owned by persons residing inside the Customs area.

(b) Customs Clearance

15. Within seven days after registration the importer or his broker must forward an Application for clearance to the Customs office in the district where the goods are stored.

16. The Application for clearance form - a set of 5 sheets of different colours which to some extent is aligned to the ECE layout key - is designed to meet the requirement placed upon the declarant by the principle of "compulsory complete declaration for duty". It is adapted for the debiting of registered importers accounts and for the collection and payment control to be carried out by automatic data processing.

17. If an importer has stated that the goods will be stored in a Danish province, the District Customs Office which has registered them will forward the corresponding blue slip of the Goods Declaration to the appropriate District Customs Office.

18. Applications for clearance will normally be handled on a 24 hour basis, i.e. clearance documents received before 10 a.m. (by the morning mail) will be handled during the day, and the importers will know at the latest by

10 a.m. on the following day whether their applications have been accepted. When deemed necessary - normally only when there is some doubt regarding the particulars appearing in the clearance documents - the District Customs Office will send Customs officers to the importer's warehouse for physical examination of the goods.

19. To cover the special needs of air cargo, the Copenhagen Airport District Customs Office provides immediate clearance facilities on a 24 hour basis. However, overtime charges are payable outside normal working hours.

(c) Payment of Customs and Excise Duties

20. Importers who have opted for the credit arrangement offered by the Customs Authorities enjoy the following privileges:

- Customs duties:

  Quarterly settlement of accounts 1 month and 20 days after the end of the quarter.

- Tax on certain commodities and value added tax:

  Monthly settlement before the end of the following month.

21. When acknowledging applications for clearance the Customs provide the importer with a detailed statement of the duties and taxes debited to his account.

22. Similarly, the importer will be credited with repayments and refunds of duties and taxes by the Customs. In this way, an importer who re-sells or re-exports goods within the settlement periods will not have to tie up capital in respect of duties and taxes.

23. Other importers are required to pay the Customs duties and the excise taxes not later than five days after clearance.

24. Customs and excise duties on goods imported for private use, in the custody of the Post Office or the Railways, or imported commercially by residents outside the Danish Customs Area, must be paid at the time of clearance or delivery.